Proposition 51

July 8, 2016

Initiative 15-0005

BALLOT LABEL

SCHOOL BONDS. FUNDING FOR K-12 SCHOOL AND COMMUNITY COLLEGE FACILITIES. INITIATIVE STATUTE. Authorizes \$9 billion in general obligation bonds for new construction and modernization of K-12 public school facilities; charter schools and vocational education facilities; and California Community Colleges facilities. Fiscal Impact: State costs of about \$17.6 billion to pay off both the principal (\$9 billion) and interest (\$8.6 billion) on the bonds. Payments of about \$500 million per year for 35 years.

Proposition 51

July 8, 2016

Initiative 15-0005

BALLOT TITLE AND SUMMARY

SCHOOL BONDS. FUNDING FOR K-12 SCHOOL AND COMMUNITY COLLEGE FACILITIES. INITIATIVE STATUTE.

- Authorizes \$9 billion in general obligation bonds: \$3 billion for new construction and \$3 billion for modernization of K-12 public school facilities; \$1 billion for charter schools and vocational education facilities; and \$2 billion for California Community Colleges facilities.
- Bars amendment to existing authority to levy developer fees to fund school facilities, until new construction bond proceeds are spent or December 31, 2020, whichever is earlier.
- Bars amendment to existing State Allocation Board process for allocating school construction funding, as to these bonds.
- Appropriates money from the General Fund to pay off bonds.

Summary of Legislative Analyst's Estimate of Net State and Local Government Fiscal Impact:

• State costs of about \$17.6 billion to pay off both the principal (\$9 billion) and interest (\$8.6 billion) on the bonds. Payments of about \$500 million per year for 35 years.

Proposition 52

July 8, 2016

Initiative 13-0022

BALLOT LABEL

MEDI-CAL HOSPITAL FEE PROGRAM. INITIATIVE CONSTITUTIONAL

AMENDMENT AND STATUTE. Extends indefinitely an existing statute that imposes fees on hospitals to fund Medi-Cal health care services, care for uninsured patients, and children's health coverage. Fiscal Impact: Uncertain fiscal effect, ranging from relatively little impact to annual state General Fund savings of around \$1 billion and increased funding for public hospitals in the low hundreds of millions of dollars annually.

Proposition 52

July 8, 2016

Initiative 13-0022

BALLOT TITLE AND SUMMARY

MEDI-CAL HOSPITAL FEE PROGRAM. INITIATIVE CONSTITUTIONAL AMENDMENT AND STATUTE.

- Extends indefinitely an existing statute that imposes fees on hospitals to obtain federal matching funds.
- Uses fees to fund Medi-Cal health care services, care for uninsured patients, and children's health coverage.
- Requires voter approval to change use of fees or funds.
- Permits other amendments or repeal by Legislature with a two-thirds vote.
- Declares fee proceeds do not count as revenue toward state spending limit or Proposition 98 funding requirement.

- The fiscal effect of this measure is uncertain primarily because it is not known whether the Legislature would have extended the hospital fee absent the measure.
- If the Legislature would have extended the hospital fee absent this measure, the measure would likely have relatively little fiscal effect on the state and local governments.
- If the Legislature would *not* have extended the hospital fee absent the measure, the measure could result in state General Fund savings of around \$1 billion annually and increased funding for public hospitals in the low hundreds of millions of dollars annually.

Proposition 53

July 8, 2016

Initiative 15-0003

BALLOT LABEL

REVENUE BONDS. STATEWIDE VOTER APPROVAL. INITIATIVE

CONSTITUTIONAL AMENDMENT. Requires statewide voter approval before any revenue bonds can be issued or sold by the state for certain projects if the bond amount exceeds \$2 billion. Fiscal Impact: State and local fiscal effects are unknown and would depend on which projects are affected by the measure and what actions government agencies and voters take in response to the measure's voting requirement.

Proposition 53

July 8, 2016

Initiative 15-0003

BALLOT TITLE AND SUMMARY

REVENUE BONDS. STATEWIDE VOTER APPROVAL. INITIATIVE CONSTITUTIONAL AMENDMENT.

- Requires statewide voter approval before any revenue bonds can be issued or sold by the state for certain projects if the bond amount exceeds \$2 billion.
- Applies to any projects that are financed, owned, operated, or managed by the state, or by a joint agency formed between the state and a federal government agency, another state, and/or a local government.
- Prohibits dividing projects into multiple separate projects to avoid statewide voter approval requirement.

Summary of Legislative Analyst's Estimate of Net State and Local Government Fiscal Impact:

• Fiscal impact on state and local governments is unknown and would depend on which projects are affected by the measure, whether they are approved by voters, and whether any alternative projects or activities implemented by government agencies have higher or lower costs than the original project proposal.

LEGISLATURE. LEGISLATION AND PROCEEDINGS. INITIATIVE

CONSTITUTIONAL AMENDMENT AND STATUTE. Prohibits Legislature from passing any bill unless published on Internet for 72 hours before vote. Requires Legislature to record its proceedings and post on Internet. Authorizes use of recordings. Fiscal Impact: One-time costs of \$1 million to \$2 million and ongoing costs of about \$1 million annually to record legislative meetings and make videos of those meetings available on the Internet.

LEGISLATURE. LEGISLATION AND PROCEEDINGS. INITIATIVE CONSTITUTIONAL AMENDMENT AND STATUTE.

- Prohibits Legislature from passing any bill unless it has been in print and published on the Internet for at least 72 hours before the vote, except in cases of public emergency.
- Requires the Legislature to make audiovisual recordings of all its proceedings, except closed session proceedings, and post them on the Internet.
- Authorizes any person to record legislative proceedings by audio or video means, except closed session proceedings.
- Allows recordings of legislative proceedings to be used for any legitimate purpose, without payment of any fee to the State.

Summary of Legislative Analyst's Estimate of Net State and Local Government Fiscal Impact:

• One-time costs of \$1 million to \$2 million and ongoing costs of about \$1 million annually to record legislative meetings and make videos of those meetings available on the Internet.

TAX EXTENSION TO FUND EDUCATION AND HEALTHCARE. INITIATIVE CONSTITUTIONAL AMENDMENT. Extends by twelve years the temporary personal income tax increases enacted in 2012 on earnings over \$250,000, with revenues allocated to K-12 schools, California Community Colleges, and, in certain years, healthcare. Fiscal Impact: Increased state revenues—\$4 billion to \$9 billion annually from 2019-2030—depending on economy and stock market. Increased funding for schools, community colleges, health care for low-income people, budget reserves, and debt payments.

TAX EXTENSION TO FUND EDUCATION AND HEALTHCARE. INITIATIVE CONSTITUTIONAL AMENDMENT.

- Extends by twelve years the temporary personal income tax increases enacted in 2012 on earnings over \$250,000 (for single filers; over \$500,000 for joint filers; over \$340,000 for heads of household).
- Allocates these tax revenues 89% to K-12 schools and 11% to California Community Colleges.
- Allocates up to \$2 billion per year in certain years for healthcare programs.
- Bars use of education revenues for administrative costs, but provides local school boards discretion to decide, in open meetings and subject to annual audit, how revenues are to be spent.

- Increased state revenues ranging from \$4 billion to \$9 billion each year (in today's dollars) from 2019 through 2030, depending on the economy and the stock market.
- Increased funding for schools and community colleges of roughly half of the revenue raised by the measure.
- Increased funding for health care for low-income people ranging from \$0 to \$2 billion each year, depending on decisions and estimates made by the Governor's main budget advisor.
- Increased budget reserves and debt payments ranging from \$60 million to roughly \$1.5 billion each year (in today's dollars), depending primarily on the stock market.

CIGARETTE TAX TO FUND HEALTHCARE, TOBACCO USE PREVENTION, RESEARCH, AND LAW ENFORCEMENT. INITIATIVE CONSTITUTIONAL AMENDMENT AND STATUTE. Increases cigarette tax by \$2.00 per pack, with equivalent increase on other tobacco products and electronic cigarettes containing nicotine. Fiscal Impact: Additional net state revenue of \$1 billion to \$1.4 billion in 2017-18, with potentially lower revenues in future years. Revenues would be used primarily to augment spending on health care for low-income Californians.

CIGARETTE TAX TO FUND HEALTHCARE, TOBACCO USE PREVENTION, RESEARCH, AND LAW ENFORCEMENT. INITIATIVE CONSTITUTIONAL AMENDMENT AND STATUTE.

- Increases cigarette tax by \$2.00 per pack, with equivalent increase on other tobacco products and electronic cigarettes containing nicotine.
- Allocates revenues primarily to increase funding for existing healthcare programs; also
 for tobacco use prevention/control programs, tobacco-related disease research and law
 enforcement, University of California physician training, dental disease prevention
 programs, and administration. Excludes these revenues from Proposition 98 funding
 requirements.
- If tax causes decreased tobacco consumption, transfers tax revenues to offset decreases to existing tobacco-funded programs and sales tax revenues.
- Requires biennial audit.

Summary of Legislative Analyst's Estimate of Net State and Local Government Fiscal Impact:

• Increased net state revenue of \$1 billion to \$1.4 billion in 2017-18, with potentially lower annual revenues over time. These funds would be allocated to a variety of specific purposes, with most of the monies used to augment spending on health care for lowincome Californians.

CRIMINAL SENTENCES. PAROLE. JUVENILE CRIMINAL PROCEEDINGS AND SENTENCING. INITIATIVE CONSTITUTIONAL AMENDMENT AND STATUTE.

Allows parole consideration for nonviolent felons. Authorizes sentence credits for rehabilitation, good behavior, and education. Provides juvenile court judge decides whether juvenile will be prosecuted as adult. Fiscal Impact: Net state savings likely in the tens of millions of dollars annually, depending on implementation. Net county costs of likely a few million dollars annually.

CRIMINAL SENTENCES. PAROLE. JUVENILE CRIMINAL PROCEEDINGS AND SENTENCING. INITIATIVE CONSTITUTIONAL AMENDMENT AND STATUTE.

- Allows parole consideration for persons convicted of nonviolent felonies, upon completion of prison term for their primary offense as defined.
- Authorizes Department of Corrections and Rehabilitation to award sentence credits for rehabilitation, good behavior, or educational achievements.
- Requires Department of Corrections and Rehabilitation to adopt regulations to implement new parole and sentence credit provisions and certify they enhance public safety.
- Provides juvenile court judges shall make determination, upon prosecutor motion, whether juveniles age 14 and older should be prosecuted and sentenced as adults for specified offenses.

- Net state savings likely in the tens of millions of dollars annually, primarily due to reductions in the prison population. Savings would depend on how certain provisions are implemented.
- Net county costs of likely a few million dollars annually.

ENGLISH PROFICIENCY. MULTILINGUAL EDUCATION. INITIATIVE STATUTE.

Preserves requirement that public schools ensure students obtain English language proficiency. Requires school districts to solicit parent/community input in developing language acquisition programs. Requires instruction to ensure English acquisition as rapidly and effectively as possible. Authorizes school districts to establish dual-language immersion programs for both native and non-native English speakers. Fiscal Impact: No notable fiscal effect on school districts or state government.

ENGLISH PROFICIENCY. MULTILINGUAL EDUCATION. INITIATIVE STATUTE.

- Preserves requirement that public schools ensure students become proficient in English.
- Requires school districts to solicit parent and community input in developing language acquisition programs to ensure English acquisition as rapidly and effectively as possible.
- Requires that school districts provide students with limited English proficiency the option to be taught English nearly all in English.
- Authorizes school districts to establish dual-language immersion programs for both native and non-native English speakers.
- Allows parents/legal guardians of students to select an available language acquisition program that best suits their child.

Summary of Legislative Analyst's Estimate of Net State and Local Government Fiscal Impact:

• No notable fiscal effect on school districts or state government.

CORPORATIONS. POLITICAL SPENDING. FEDERAL CONSTITUTIONAL PROTECTIONS. LEGISLATIVE ADVISORY QUESTION. Asks whether California's elected officials should use their authority to propose and ratify an amendment to the federal Constitution overturning the United States Supreme Court decision in *Citizens United v. Federal Election Commission. Citizens United* ruled that laws placing certain limits on political spending by corporations and unions are unconstitutional. Fiscal Impact: No direct fiscal effect on state or local governments.

Proposition 59 Voter Instruction

Shall California's elected officials use all of their constitutional authority, including, but not limited to, proposing and ratifying one or more amendments to the United States Constitution, to overturn Citizens United v. Federal Election Commission (2010) 558 U.S. 310, and other applicable judicial precedents, to allow the full regulation or limitation of campaign contributions and spending, to ensure that all citizens, regardless of wealth, may express their views to one another, and to make clear that corporations should not have the same constitutional rights as human beings?

CORPORATIONS. POLITICAL SPENDING. FEDERAL CONSTITUTIONAL PROTECTIONS. LEGISLATIVE ADVISORY QUESTION.

- Asks whether California's elected officials should use their authority to propose and ratify an amendment to the federal Constitution overturning the United States Supreme Court decision in *Citizens United v. Federal Election Commission*.
- *Citizens United* ruled that laws placing certain limits on political spending by corporations and unions are unconstitutional.
- States that the proposed amendment should clarify that corporations should not have the same constitutional rights as human beings.

Summary of Legislative Analyst's Estimate of Net State and Local Government Fiscal Impact:

• No direct fiscal effect on state or local governments.

ADULT FILMS. CONDOMS. HEALTH REQUIREMENTS. INITIATIVE STATUTE.

Requires adult film performers to use condoms during filming of sexual intercourse. Requires producers to pay for performer vaccinations, testing, and medical examinations. Requires producers to post condom requirement at film sites. Fiscal Impact: Likely reduction of state and local tax revenues of several million dollars annually. Increased state spending that could exceed \$1 million annually on regulation, partially offset by new fees.

ADULT FILMS. CONDOMS. HEALTH REQUIREMENTS. INITIATIVE STATUTE.

- Requires performers in adult films to use condoms during filming of sexual intercourse.
- Requires producers of adult films to pay for performer vaccinations, testing, and medical examinations related to sexually transmitted infections.
- Requires producers of adult films to obtain state health license, and to post condom requirement at film sites.
- Imposes liability on producers for violations, on certain distributors, on performers if they have a financial interest in the film involved, and on talent agents who knowingly refer performers to noncomplying producers.
- Permits state, performers, or any state resident to enforce violations.

- Likely reduction of state and local tax revenues of several million dollars per year.
- Increased state costs that could exceed \$1 million annually to license and regulate adult film production and to enforce workplace health and safety rules. These costs would be offset to some extent by new fee revenue.

STATE PRESCRIPTION DRUG PURCHASES. PRICING STANDARDS. INITIATIVE STATUTE. Prohibits state from buying any prescription drug from a drug manufacturer at price over lowest price paid for the drug by United States Department of Veterans Affairs. Exempts managed care programs funded through Medi-Cal. Fiscal Impact: Potential for state savings of an unknown amount depending on (1) how the measure's implementation challenges are addressed and (2) the responses of drug manufacturers regarding the provision and pricing of their drugs.

STATE PRESCRIPTION DRUG PURCHASES. PRICING STANDARDS. INITIATIVE STATUTE.

- Prohibits state agencies from buying any prescription drug from a drug manufacturer at any price over the lowest price paid for the same drug by the United States Department of Veterans Affairs, except as may be required by federal law.
- Applies to any program where the state agency is the ultimate payer for a prescription drug, even if the state agency does not itself buy the drug.
- Exempts purchases of prescription drugs under managed care programs funded through Medi-Cal.

Summary of Legislative Analyst's Estimate of Net State and Local Government Fiscal Impact:

• Potential for state savings of an unknown amount depending on (1) how the measure's implementation challenges are addressed and (2) the responses of drug manufacturers regarding the provision and pricing of their drugs.

Proposition 62

July 8, 2016

Initiative 15-0066

BALLOT LABEL

DEATH PENALTY. INITIATIVE STATUTE. Repeals death penalty and replaces it with life imprisonment without possibility of parole. Applies retroactively to existing death sentences. Increases the portion of life inmates' wages that may be applied to victim restitution. Fiscal Impact: Net ongoing reduction in state and county criminal justice costs of around \$150 million annually within a few years, although the impact could vary by tens of millions of dollars depending on various factors.

Proposition 62

July 8, 2016

Initiative 15-0066

BALLOT TITLE AND SUMMARY

DEATH PENALTY. INITIATIVE STATUTE.

- Repeals death penalty as maximum punishment for persons found guilty of murder and replaces it with life imprisonment without possibility of parole.
- Applies retroactively to persons already sentenced to death.
- States that persons found guilty of murder and sentenced to life without possibility of parole must work while in prison as prescribed by the Department of Corrections and Rehabilitation.
- Increases portion of life inmates' wages that may be applied to victim restitution.

Summary of Legislative Analyst's Estimate of Net State and Local Government Fiscal Impact:

• Net ongoing reduction in state and county costs related to murder trials, legal challenges to death sentences, and prisons of around \$150 million annually within a few years. This estimate could be higher or lower by tens of millions of dollars, depending on various factors.

FIREARMS. AMMUNITION SALES. INITIATIVE STATUTE. Requires background check and Department of Justice authorization to purchase ammunition. Prohibits possession of large-capacity ammunition magazines. Establishes procedures for enforcing laws prohibiting firearm possession by specified persons. Requires Department of Justice's participation in federal National Instant Criminal Background Check System. Fiscal Impact: Increased state and local court and law enforcement costs, potentially in the tens of millions of dollars annually, related to a new court process for removing firearms from prohibited persons after they are convicted.

FIREARMS. AMMUNITION SALES. INITIATIVE STATUTE.

- Requires individuals to pass a background check and obtain Department of Justice authorization to purchase ammunition.
- Prohibits possession of large-capacity ammunition magazines, and requires their disposal, as specified.
- Requires most ammunition sales be made through licensed ammunition vendors and reported to Department of Justice.
- Requires lost or stolen firearms and ammunition be reported to law enforcement.
- Prohibits persons convicted of stealing a firearm from possessing firearms.
- Establishes new procedures for enforcing laws prohibiting firearm possession.
- Requires Department of Justice to provide information about prohibited persons to federal National Instant Criminal Background Check System.

- Increased state and local court and law enforcement costs, potentially in the tens of millions of dollars annually, related to a new court process for removing firearms from prohibited persons after they are convicted.
- Potential increase in state costs, not likely to exceed the millions of dollars annually, related to regulating ammunition sales. These costs would likely be offset by fee revenues.
- Potential net increase in state and local correctional costs, not likely to exceed the low millions of dollars annually, related to changes in firearm and ammunition penalties.

MARIJUANA LEGALIZATION. INITIATIVE STATUTE. Legalizes marijuana under state law, for use by adults 21 or older. Imposes state taxes on sales and cultivation. Provides for industry licensing and establishes standards for marijuana products. Allows local regulation and taxation. Fiscal Impact: Additional tax revenues ranging from high hundreds of millions of dollars to over \$1 billion annually, mostly dedicated to specific purposes. Reduced criminal justice costs of tens of millions of dollars annually.

MARLIUANA LEGALIZATION. INITIATIVE STATUTE.

- Legalizes marijuana under state law, for use by adults 21 or older.
- Designates state agencies to license and regulate marijuana industry.
- Imposes state excise tax of 15% on retail sales of marijuana, and state cultivation taxes on marijuana of \$9.25 per ounce of flowers and \$2.75 per ounce of leaves.
- Exempts medical marijuana from some taxation.
- Establishes packaging, labeling, advertising, and marketing standards and restrictions for marijuana products.
- Prohibits marketing and advertising marijuana directly to minors.
- Allows local regulation and taxation of marijuana.
- Authorizes resentencing and destruction of records for prior marijuana convictions.

- The size of the measure's fiscal effects could vary significantly depending on:
 - (1) how state and local governments choose to regulate and tax marijuana,
 - (2) whether the federal government enforces federal laws prohibiting marijuana, and
 - (3) how marijuana prices and consumption change under the measure.
- Net additional state and local tax revenues that could eventually range from the high hundreds of millions of dollars to over \$1 billion annually. Most of these funds would be required to be spent for specific purposes such as youth programs, environmental protection, and law enforcement.
- Net reduced costs potentially in the tens of millions of dollars annually to state and local
 governments primarily related to a decline in the number of marijuana offenders held in
 state prisons and county jails.

Proposition 65

July 8, 2016

Initiative 15-0074

BALLOT LABEL

CARRYOUT BAGS. CHARGES. INITIATIVE STATUTE. Redirects money collected by grocery and certain other retail stores through mandated sale of carryout bags. Requires stores to deposit bag sale proceeds into a special fund to support specified environmental projects. Fiscal Impact: Potential state revenue of several tens of millions of dollars annually under certain circumstances, with the monies used to support certain environmental programs.

Proposition 65

July 8, 2016

Initiative 15-0074

BALLOT TITLE AND SUMMARY

CARRYOUT BAGS. CHARGES. INITIATIVE STATUTE.

- Redirects money collected by grocery and certain other retail stores through sale of carryout bags, whenever any state law bans free distribution of a particular kind of carryout bag and mandates the sale of any other kind of carryout bag.
- Requires stores to deposit bag sale proceeds into a special fund administered by the Wildlife Conservation Board to support specified categories of environmental projects.
- Provides for Board to develop regulations implementing law.

Summary of Legislative Analyst's Estimate of Net State and Local Government Fiscal Impact:

• Potential state revenue of several tens of millions of dollars annually under certain circumstances. Revenue would be used to support certain environmental programs.

Proposition 66

July 8, 2016
Initiative 15-0096

BALLOT LABEL

DEATH PENALTY. PROCEDURES. INITIATIVE STATUTE. Changes procedures governing state court challenges to death sentences. Designates superior court for initial petitions and limits successive petitions. Requires appointed attorneys who take noncapital appeals to accept death penalty appeals. Exempts prison officials from existing regulation process for developing execution methods. Fiscal Impact: Unknown ongoing impact on state court costs for processing legal challenges to death sentences. Potential prison savings in the tens of millions of dollars annually.

Proposition 66

July 8, 2016

Initiative 15-0096

BALLOT TITLE AND SUMMARY

DEATH PENALTY. PROCEDURES. INITIATIVE STATUTE.

- Changes procedures governing state court appeals and petitions challenging death penalty convictions and sentences.
- Designates superior court for initial petitions and limits successive petitions.
- Establishes time frame for state court death penalty review.
- Requires appointed attorneys who take noncapital appeals to accept death penalty appeals.
- Exempts prison officials from existing regulation process for developing execution methods.
- Authorizes death row inmate transfers among California prisons.
- Increases portion of condemned inmates' wages that may be applied to victim restitution.
- States other voter approved measures related to death penalty are void if this measure receives more affirmative votes.

- Unknown ongoing fiscal impact on state court costs for processing legal challenges to death sentences.
- Near-term increases in state court costs—potentially in the tens of millions of dollars annually—due to an acceleration of spending to address new time lines on legal challenges to death sentences. Savings of similar amounts in future years.
- Potential state prison savings that could be in the tens of millions of dollars annually.

BAN ON SINGLE-USE PLASTIC BAGS. REFERENDUM. A "Yes" vote approves, and a "No" vote rejects, a statute that prohibits grocery and other stores from providing customers single-use plastic or paper carryout bags but permits sale of recycled paper bags and reusable bags. Fiscal Impact: Relatively small fiscal effects on state and local governments, including a minor increase in state administrative costs and possible minor local government savings from reduced litter and waste management costs.

BAN ON SINGLE-USE PLASTIC BAGS. REFERENDUM.

A "Yes" vote approves, and a "No" vote rejects, a statute that:

- Prohibits grocery and certain other retail stores from providing single-use plastic or paper carryout bags to customers at point of sale.
- Permits sale of recycled paper bags and reusable bags to customers, at a minimum price of 10 cents per bag.

Summary of Legislative Analyst's Estimate of Net State and Local Government Fiscal Impact:

• Relatively small fiscal effects on state and local governments. Minor increase of less than a million dollars annually for state administrative costs, offset by fees. Possible minor savings to local governments from reduced litter and waste management costs.